THE CENTRAL RAILROAD COMPANY OF NEW JERSEY

ANNUAL REPORT 1963

JERSEY CENTRAL LINES

BOARDS
mrh
f 652.0973
C 333 N

THE CENTRAL RAILROAD COMPANY OF NEW JERSEY and Subsidiaries

DIRECTORS

The Central Railroad Company of New Jersey

*Earl T. Moore, *Chairman*
Victor G. Aubry, Jr.
*Revelle W. Brown
Barton W. Druckenmiller
*E. Paul Gangewere
*Frank C. LaGrange
Irving N. Like
Robert B. Meyner
H. Merle Mulloy
*Fred N. Oliver
Perry M. Shoemaker

**Member, Executive Committee*

Central Railroad Company of Pennsylvania

Revelle W. Brown
Barton W. Druckenmiller
E. Paul Gangewere
John W. Kress
Frank C. LaGrange
Earl T. Moore
Joshua A. Rich, IV
Perry M. Shoemaker
J. L. Stackhouse
#Robert A. Young

#Deceased, February 13, 1964

Lehigh and New England Railway Company

Victor G. Aubry, Jr.
Revelle W. Brown
Barton W. Druckenmiller
E. Paul Gangewere
R. F. Hogan
Frank C. LaGrange
Earl T. Moore
Perry M. Shoemaker
J. L. Stackhouse
#Robert A. Young

Wharton and Northern Railroad Company

James L. Barngrove, Jr.
Jack A. Craddock
Ludwig R. Dohm
Alfred J. Mackin
Perry M. Shoemaker

Jersey Central Transportation Company

James L. Barngrove, Jr.
Jack A. Craddock
Judson C. McLester, Jr.
Perry M. Shoemaker

GENERAL OFFICES

JERSEY CENTRAL TERMINAL
JERSEY CITY, N.J. 07302

OFFICERS

PERRY M. SHOEMAKER
President

JAMES L. BARNGROVE, JR.
Vice President—Freight Traffic

JACK A. CRADDOCK
Vice President and General Manager

JUDSON C. McLESTER, JR.
Vice President and General Counsel

ROBERT FREDERICKSON
Comptroller

ROBERT E. TESTON
Secretary and Treasurer

BERNARD J. MINETTI
Chief Engineer

WARREN W. BOYCE
Purchasing Agent

ROBERT G. HAMLIN
Property Manager

FRANK W. MAHONEY, M.D.
Medical Director

JERSEY CENTRAL LINES

FINANCIAL SUMMARY OF 1963

Income

	1963	1962
Receipts from freight, passenger and miscellaneous operations	$52,692,406	$54,435,975
Other income (net)	1,289,091	733,828
Total income	$53,981,497	$55,169,803

Expenses

Cost of maintaining and operating the property	$45,233,798	$46,434,065
Taxes	5,726,117	5,871,764
Hire of equipment and joint facilities	4,379,280	5,604,124
Fixed charges	4,720,921	4,725,668
Total costs	$60,060,116	$62,635,621

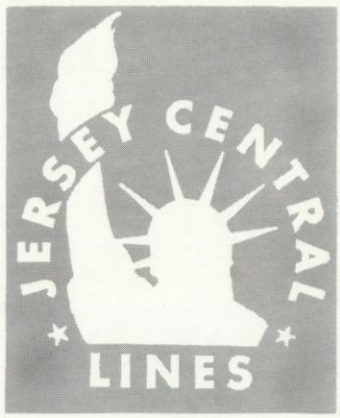
Net Loss	$ (6,078,619)	$ (7,465,818)
Adjustments to determine "available net income" as required by the trust indenture:		
Elimination of amounts charged to operating expenses for ledger value less salvage of property retired and not replaced	99,989	568,741
Elimination of L. & N.E. Ry. net income not includible in determining "available net income"	40,367	22,693
Elimination of profit from the sale of meadowland properties credited to income and deposited with the mortgage trustee*	30,544	—
Adjustment from 1960 sale of meadowland debited to income during 1962	—	64,663
"Available net income" deficit from prior years	23,056,719	16,201,612
"Available Net Income" (Deficit)	$(29,106,260)	$(23,056,719)

Capital Fund

Amount in Capital Fund at close of year	none	none

* Under the provisions of the Sixth Supplemental Mortgage, there shall be deducted from consolidated income, so much thereof as results from the sale of meadowland.

JUL 22 1965 Co



To Stockholders:

In 1963 our company experienced its sixth straight deficit year. The net loss was $6,078,619, a reduction of 19% from the 1962 deficit of $7,465,818, bringing the six-year loss to $29.7 million. This improvement was achieved despite a decline in total revenues from $54,435,975 in 1962 to $52,692,406 in 1963. Important in this achievement was an improvement in the costs of operating and maintaining the company, and a sharp decrease in the charge for hire of equipment and facilities. This modest reduction in our deficit, however, did not halt the continuing drain on cash resources; only a Government-guaranteed loan in the amount of $2 million, approved on December 27, 1963, made it possible for us to meet our January obligations.

The point has now been reached at which the future of The Central Railroad Company of New Jersey, involving the continuance of the public service it renders to commuters and the economic service to both shippers and employees, depends upon immediate action by the State of New Jersey to relieve it in whole, or in significant part, of the two millstones of unreasonable taxation and commuter service deficits that are currently preventing it from operating as a productive, useful, and profitable unit in the competitive enterprise system upon which the economy of this State and Nation depends.

The Central Railroad's dilemma, and the importance of State action as a factor in solving it, is not hard to understand against a decade of history. During the last ten years, the company had total net freight earnings of $60.3 million. During the same period, property tax payments to the State of New Jersey totaled more than $31 million and passenger losses aggregated more than $67 million, offset by public service contract payments from the State of only $4.3 million. During this period, the combination of freight earnings, sale of $12.1 million worth of assets, two Government-guaranteed loans, and miscellaneous income were obviously insufficient to meet the problem of passenger losses and tax costs.

When we received approval of the $2 million loan, out of the $5 million for which we originally asked, we were informed by the Interstate Commerce Commission that approval of the other $3 million, which will be needed while projected State aid plans are in process, was deferred. Affirmative action by the State of New Jersey to reduce commuter deficits and rectify tax inequities, and progress in other areas, will permit further consideration.

We have, accordingly, clearly indicated to the State that our ability to sign future contracts and to provide service under the Aldene Plan, is predicated upon an initial increase in contract aid this year to The Central Railroad Company of New Jersey of at least 50% of current passenger losses instead of the prevailing 25%. We have also pointed out that this company cannot be expected to continue to serve the State of New Jersey effectively unless the Aldene Plan is promptly implemented and unless tax relief is promptly forthcoming. As this is written, no definitive action has been taken, but I am encouraged at substantial evidences of support in both the Legislature and the Administration.

If the State of New Jersey takes the necessary affirmative action, and we can secure the

remainder of the $5 million loan which we requested last year, I believe that there are long-range factors that give substantial encouragement with respect to the company's future.

The first of these, relating to a reduction in passenger deficits and in taxes, I've already mentioned. I have recently testified before the State Tax Policy Commission, which is currently studying the latter of these problems, and have every reason to feel that their realistic approach will result in a recommendation of a substantial reduction in railroad taxes.

A study by outside consultants is now underway, which will be the base for reviewing the $2.3 million annual rental which we pay The Lehigh Coal & Navigation Company for the use of the Lehigh & Susquehanna Railroad property, constituting virtually our entire railroad in Pennsylvania.

Extremely complex negotiations for an extensive coordination of activities with the Lehigh Valley Railroad, on an 80-mile stretch in Pennsylvania, have been completed and are now before the Interstate Commerce Commission. If approved, they will result in about $300,000 in salvage of needed materials and in annual savings of about $325,000.

The award of the Presidential Arbitration Board relating to firemen will, if finally upheld by the United States Supreme Court, result in improvement of more than $1.2 million annually in our wage costs, after severance obligations have been met.

I see significant long-range opportunity in the accelerating location of industry in our desirably located territory and in the progress we are making in increasing basic freight traffic. Piggyback traffic continues to improve, our import and export business is growing, and efforts toward plant location were especially successful in 1963.

I must report that the beginning of 1964 has not been encouraging. A long commercial tugboat strike, shutting down our important Pier 18 coal operations for 5 weeks; the effect of recurrent storms on operating expenses; the loss of vegetable oil movements as a result of the "De Angelis affair"; a sharp decline in the export market for anthracite coal; and discontinuance of freight-forwarding operations on Baltimore and Ohio Railroad Co. piers, resulted in substantially lower carloadings in the first quarter compared with last year, despite our intense efforts to develop substitute revenue.

These unfavorable factors affecting first-quarter 1964 freight revenue have further tightened our cash problem and added significantly to the necessity that the State of New Jersey recognize with appropriate action the reality of our situation.

When I say that our immediate future depends on actions of the State, I do not disregard the fact that our further future depends upon our own ingenuity and ability to improve the volume and quality of our business. I assure you that we are all doing our level best to apply superior salesmanship and a high degree of operating efficiency to the conduct of our railroad. In this connection, I wish to thank all of our employees for their individual efforts, and to express appreciation, once again, to our stockholders for their patience and support.

Sincerely,

March, 1964

TRAFFIC AND REVENUES

Freight

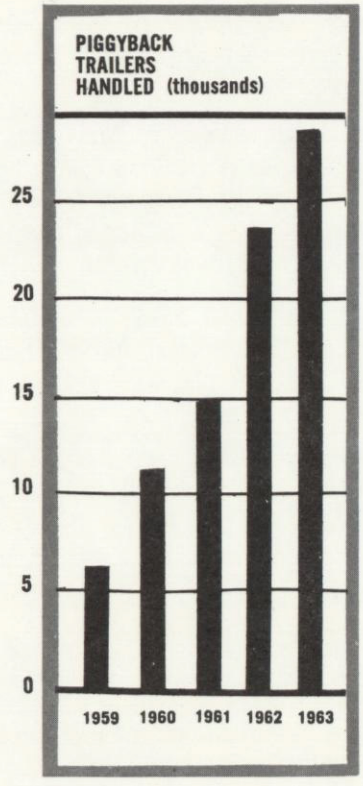
Revenue from freight traffic decreased 2%, from $43,325,701 in 1962 to $42,482,077 in 1963. Carloads, including those received from connections, totaled 684,340, a decrease of 5.5% compared with the previous year.

Anthracite coal loadings continued to improve in 1963, with an increase in revenue from this source of 10%. Anthracite produced 10% of our total freight revenue, making its best showing since 1957.

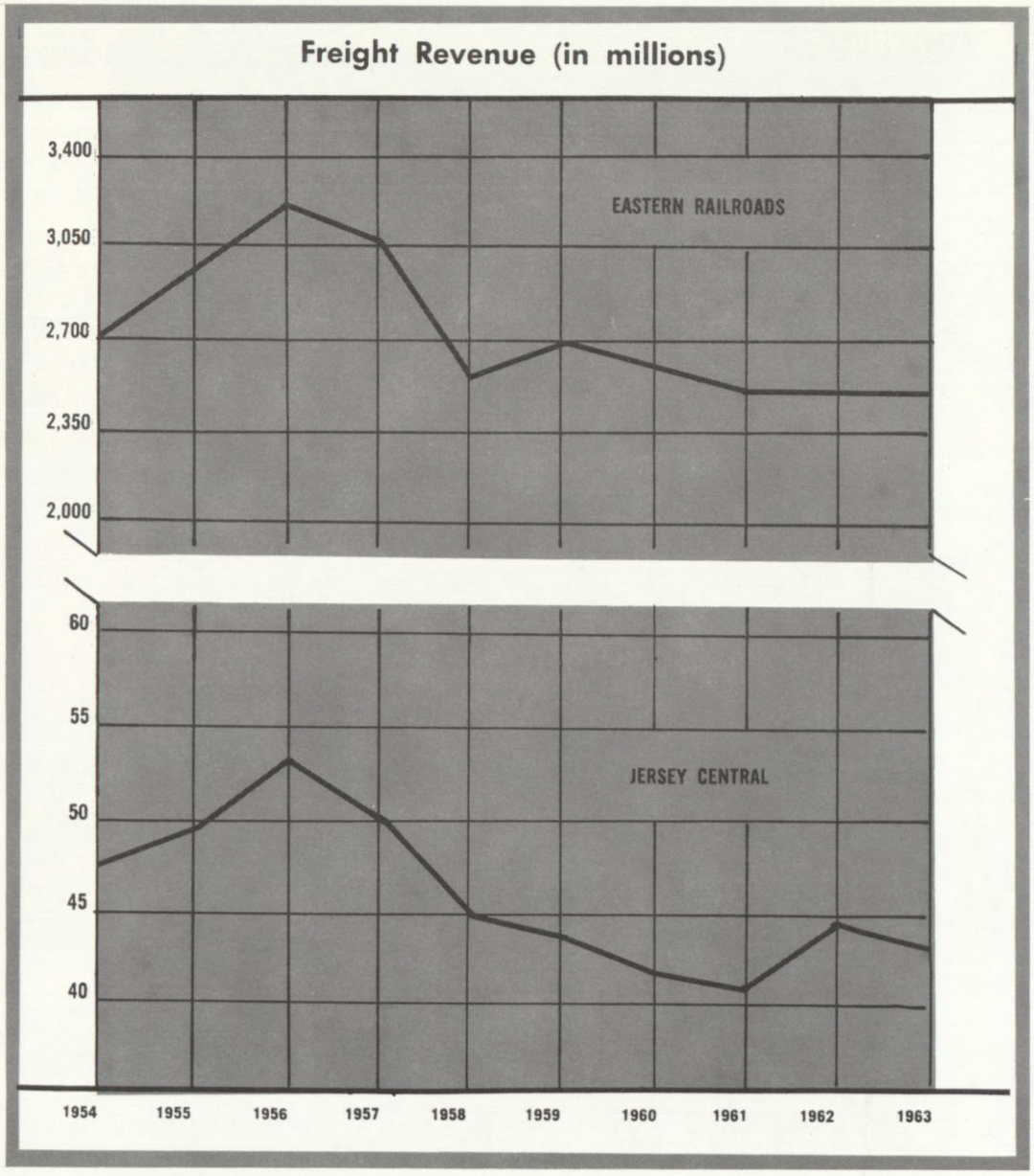
Bituminous coal revenue decreased 8% over last year, and amounted to 17% of our total freight revenue. Approximately 51% of bituminous coal tonnage in 1963 moved in trainload lots on the new lower rates that went into effect in March. The new rates have reduced our revenue per ton, but the lower transportation cost has improved bituminous coal's competitive position in relation to other fuels. Accordingly, they offer an opportunity to increase bituminous coal traffic in the future. In addition, through reduction in the delay in unloading cars at Pier 18, we have achieved a significant reduction in per diem expense.

Revenue from cement traffic showed a decrease of 4% in 1963, most of it occurring early in the year. Since an adjustment of our harbor delivery rate, on May 20th, cement traffic has resumed its increase, and we expect this trend to continue through 1964.

Revenue from general merchandise decreased 2% from 1962, and represented 66.8% of our freight revenue. A continuing increase in trailer-on-flatcar (piggyback) traffic, up 21% over 1962, encouraged the opening of a new piggyback facility in August, 1963. The new facility enables us to offer improved piggyback service in the heavily industrialized area surrounding Elizabeth, and adds importantly to the growth potential for this type of traffic.



CNJ's piggyback business increased more than four-fold in the five-year period 1959-1963 — from 6,792 trailers in 1959 to 29,886 in 1963.



Discontinuance by the Baltimore & Ohio of its pier stations in New York, previously used by large freight-forwarding companies, was largely responsible for a 36% decrease in our freight-forwarder traffic.

During the year, we continued to improve the service offered our freight customers. In November, for the first time there was instituted second morning service to and from Chicago. New routes and improved service have been established via the Baltimore & Ohio Railroad at Bound Brook; via the Alphabet Route through Allentown; and via the New York Central at Weehawken. Reference to the new CNJ map included in this report indicates the improvement both in service to our shippers and in our own competitive position.

Our market research activities continue to produce encouraging results. Improvements in service or adjustment in rates stemming from this research procured an estimated 2,000 cars of additional traffic in 1963.

Passenger

Passenger revenues amounted to $5,324,610 in 1963, compared with $5,546,644 in 1962, a decrease of 4%. In addition, we received cash payments from the State of New Jersey of $1,511,734 in 1963 under a loss participation contract designed to help maintain passenger service for the benefit of commuters and communities, as compared with $1,409,310 in 1962.

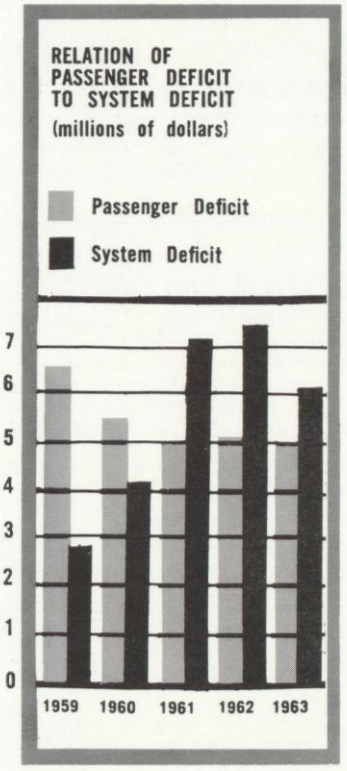
Effective July 1, 1963, mail revenues were reduced by 50% as the result of the post office department trucking mail for Southern and Western States previously handled on our trains. As a result, mail revenues for 1963 amounted to $1,418, 274 as compared to $1,938, 488 in 1962, a decrease of 27%. However, we were able to offset this revenue loss through economies resulting from train adjustments.

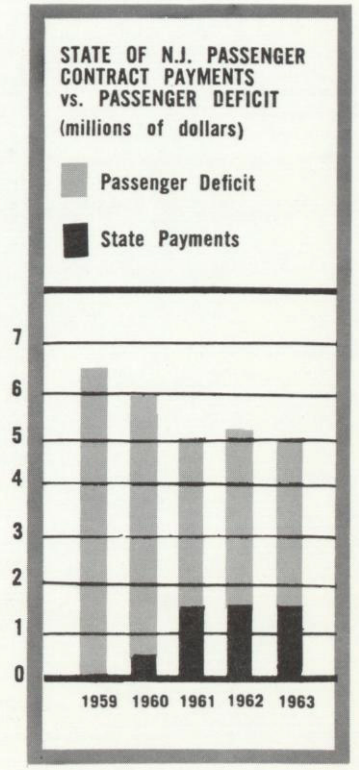
As reported in the 1962 annual report, the REA Express, Inc., discontinued the handling of virtually all express on our line so that 1963 revenue amounted to only $9,732, as compared to $196,744 in 1962.

Total passenger revenues from all sources, including the State contract payments, decreased $1,007,318 from the preceding year.

Net loss to the Company, after State participation, from passenger service, amounted to $5,008,365 in 1963 as compared to $5,151,652 in 1962.

The railroad has made it clear to the State of New Jersey that it will be unable to continue service under the present contract unless changes in the law are made that will permit reimbursement this year of at least half of its passenger losses. As this is written, the New Jersey State Legislature has under consideration an increase of the 1964-65 contract appropriation from $6 to $8½ million, and amendment of the law to provide the necessary





flexibility to disburse the available dollars in terms of the needs and varying operating conditions of individual railroads—both provisions having been recommended by Highway Commissioner Palmer.

Legal difficulties that delayed impdementation of the Aldene Plan, calling for consolidation of CNJ and Hudson Tube Service, have been overcome. The actual start of the project, however, depends upon (a) elimination of certain Lehigh Valley grade crossings for which the State has not appropriated the necessary $3.1 million; and (b) conclusion of a contract with the CNJ to provide service for a minimum of five years, which the railroad cannot sign unless assured that increasing State participation in its passenger losses will be provided. If action by the Legislature removes these two obstacles, the Aldene Plan can become operative with the spring timetable change in 1965. On the basis discussed so far, this implementation would, after certain non-recurring costs, reduce passenger losses in excess of $1,000,000 annually.

TAXES

Taxes paid to the State of New Jersey for 1963 amounted to $3,098,343,* equivalent to $7.07 a share on the Company's Common Stock outstanding.

In 1962 the Governor of New Jersey appointed a Commission on State Tax Policy charged with responsibility for a comprehensive study of the tax structure within the State and for making recommendations as to what changes might be necessary. The overall recommendation of this Commission was that the State adopt a broad-base tax, with the majority of the Commission favoring a 3% sales tax.

In its report the Commission recognized that the railroad industry is important to the economy of the State; that the railroads' most important competitors receive direct or indirect subsidies in varying degrees; that there has been a worsening in the economic status of the railroads since 1948 (when the present Railroad Tax Law was enacted); that the tax burden imposed upon the railroads by New Jersey exceeds the burden imposed by other neighboring states; that a limited number of municipalities would be adversely affected by any substantial reduction in railroad Class II taxes, which represent approximately 85% of the overall tax burden; and that the railroads in New Jersey should not continue bearing this heavy tax burden now imposed upon them.

The Commission recommended that the question of railroad taxation in New Jersey be referred back to it so that more time would be available to the Commission for dealing with this troublesome problem. During the summer of 1963 the New Jersey Legislature adopted a joint resolution referring the problem of railroad taxes back to the Commission on State Tax Policy. The Commission has now been reactivated and has commenced hearings, at which your President has testified, on this problem.

We cannot predict what the Commission may propose, but we are optimistic that appreciable tax relief for the railroads will result from the Commission's efforts not later than 1965.

---

* Before adjustment for prior years by Jersey City, amounting to $119,410

WAGES and LABOR MATTERS

In November 1963, a special Arbitration Board, created by Congress in answer to an August strike threat, delivered its decision in regard to the two largest issues involved in the railroad industry's dispute with operating employees over obsolete work-rules. Findings of the Board concerning firemen on diesel locomotives in freight and yard service, and managerial right to adjust the size of crews to the necessities of the service, were due to be applied beginning March 1, 1964. The fireman issue has been further delayed by Court action, designed to establish that the Law setting up the Board is unconstitutional. When finally implemented, our company's situation will be improved as follows:

a. Approximately 79 firemen with less than two years seniority, involving an annual payroll and employment tax obligation of about $676,240, will be eliminated. The amount of severance pay for these employees is still uncertain, but if it averages three months' pay the first-year savings will be reduced by approximately $169,000.

b. Approximately 61 firemen with seniority of more than two years and less than ten years involving a payroll cost and employment taxes annually of about $602,960, can be eliminated, but with a pay guaranty of up to five years. Other railroad employment is permissible but the average pay for their last year as a fireman is guaranteed.

c. The Award gives us only limited benefits with respect to crew consist.

The other issues involved in the work-rules changes, concerning such questions as interdivisional runs, assignment of operating employees with maintenance-of-way work equipment, and changes in bases for payment for crews and the pay-level, itself, are still in collective bargaining.

Aside from this long-standing dispute, we have received requests from all of the twenty-one organizations with whom we hold contracts for wage increases, including cost-of-living adjustments, longer vacations, life insurance benefits, stabilization of employment, and increased welfare and hospitalization protection. The demands include wage requests ranging from 10% to 100%. Local negotiations on these requests have been concluded, and most of them are currently pending before National Labor Committees.

INDUSTRIAL DEVELOPMENT

The year 1963 saw accelerated progress in the location and expansion of traffic-producing industries on our railroad. Thirty-four new industries, with an annual traffic potential of more than 10,000 carloads, were attracted. In addition, thirteen industries presently located on the CNJ expanded facilities, with a predicted increase of more than 6,000 carloads annually. Total traffic potential of 1963 locations and expansions represents an improvement of 40% over the preceding year.

Our Central Morris Industrial Park at Rockaway, New Jersey, attracted a second plastics plant to join that of the Colorite Plastics Company, which is starting construction of a 74,000 square-foot plant this spring. Allied Chemical Corporation has purchased 7½ acres of land for the construction of a 50,000 square-foot plant to manufacture plastic tubing.

Four industries—General Tire and Rubber Company, U.S. Fibre and Plastics Corp., Schalk Chemical Company, and Stirling Converter Company—

with a combined traffic potential of more than 500 cars annually, located in the new Central Jersey Industrial Park South, in Bound Brook, New Jersey.

A fourth new bulk cement terminal is being located on our railroad at Port Newark by the Universal Atlas Cement Company; it is expected to distribute some 700 cars of cement annually.

Construction of a new 150,000 square-foot plant in Forks Township, Pennsylvania, by the American Can Company (Dixie Cup Division) represents the first new large plant on the L&NE Railway since we acquired it; its completion this year will result in 400 carloads annually. In addition, the Lehigh Valley Industrial Park has acquired an additional 245 acres for heavy industrial development which can be served by the Catasauqua Branch of the Lehigh and New England Railway. With this acquisition, the Lehigh Valley Industrial Park now comprises some 400 acres.

PROPERTY SALES

A total consideration of $1,284.139 for the sale of 48 parcels of land in 1963 represents the largest amount received from property sales since 1950.

MEADOWLAND PROPERTIES

Our Company owns approximately 650 acres of valuable property in the Elizabeth Meadows. This ownership generally goes back to before World War I and taxes have been paid ever since acquisition. The nearness of Port Newark, Port Elizabeth, Newark Airport, good highway access and the labor supply of the Newark-Elizabeth area make this area of prime interest to us from an industrial development standpoint.

Certain meadowland property in other areas has been appropriated by the New Jersey State Highway Department, without payment to those claiming ownership on the theory that the State has title to all land which at any time has been subject to inundation at mean high tide, unless by State grant such title had been relinquished. A number of individual court cases are pending. Great acreages of property in most of the counties of the State are involved. It is apparent that this title controversy can be settled satisfactorily only by legislative mandate.

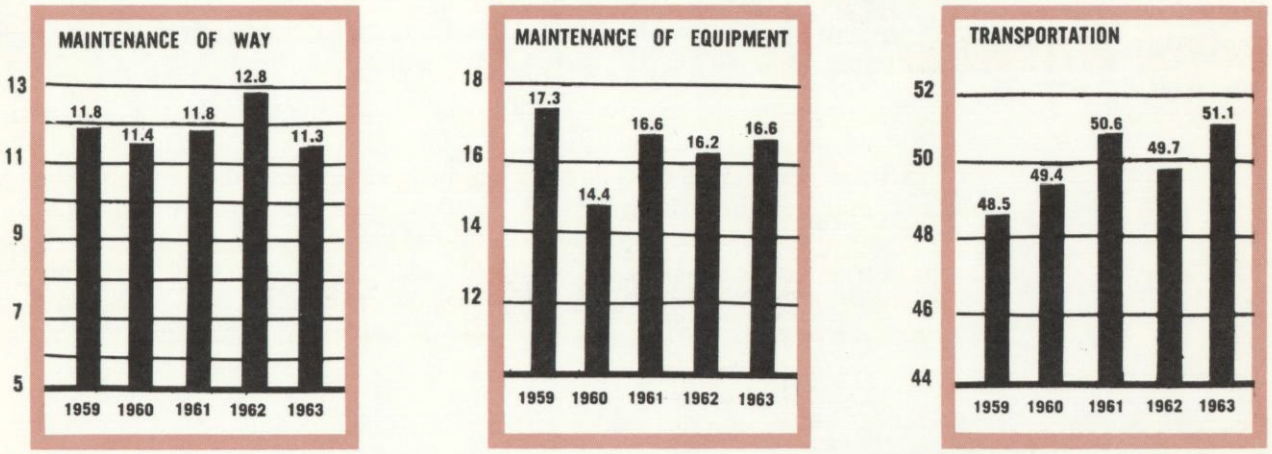
Proposed legislation, designed to alleviate the hardships which may otherwise be imposed upon owners of meadowland properties, has been introduced both in the New Jersey Senate and the New Jersey Assembly. The Governor of the State has appointed a Meadowland Commission, a part of whose function is to make some recommendation as to how to best handle these title problems.

We do not know the outcome of these various activities, but we believe that the equities in our favor are compelling and that ultimately the clouds on our titles will be satisfactorily removed.

OPERATIONS AND MAINTENANCE

With less than 10% of our revenue tons both originating and terminating on our own railroad, and an extremely short average haul, the CNJ has many of the characteristics of a terminal railroad. Consistent with this char-

Operating Ratios



acter is the fact almost 60% of our wage costs for freight train and engine service is chargeable to yard operations. In the last six months of the year there were 1,471 fewer yard crews used than in the like period of 1962 and a reduction of 36% in overtime payments was achieved.

Further progress was made in reducing net equipment debit, the major portion involving payments to other railroads for use of their cars in excess of their payments for the use of ours; in 1963 our debit position was $1,228,995 less than that obtaining in 1962. This statistic relates to both the efficiency with which the cars are handled and the availability of CNJ cars in operating condition.

In this latter connection, the percentage of our cars in bad order was reduced from 24.8% at the beginning of the year to 12.4% at the end. In the process, general repairs were provided to 1,346 cars during the year, and 512 gondolas which are no longer necessary for our traffic were sold. Further progress in this direction will depend directly upon the availability of funds with which to repair our remaining bad-order freight cars.

Heavy overhaul was given to 44 units of power in 1963, and there is programmed approximately 55 units for repair in 1964, but at least two more years of intensive effort will be required to put our full fleet of locomotives into reasonably satisfactory shape. Currently, the Company has 40 units which have not had general repairs for more than two years, and 59 for more than four years; some 30 road freight units are more than 15 years old and are both obsolete and expensive to maintain. During the year, all heavy repairs were concentrated at Elizabethport Shop, Bethlehem Shop no longer being used for this purpose.

General repair of 269 passenger cars, which are between 32 and 42 years of age, was deferred for another year. Implementation of the Aldene Plan would reduce our needs to about 120 units, including Budd Cars. These are to be rehabilitated at the State's expense; the longer-range picture awaits a State-assisted program for replacement with modern equipment.

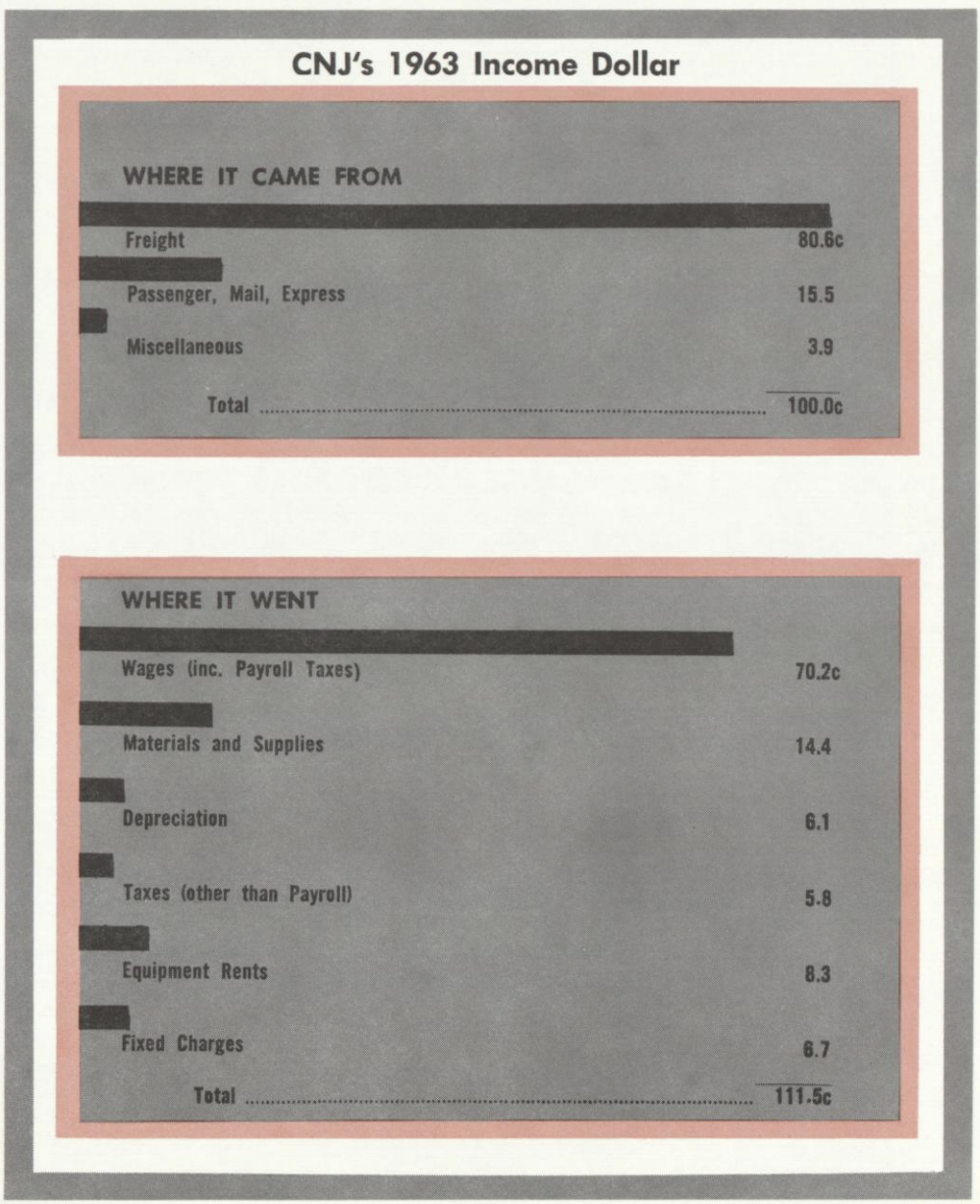
During the year, there was leased a considerable amount of modern maintenance-of-way machinery, enabling the accomplishment of track maintenance with fewer employees than ever before in our history. Purchase of new rail and ties was minimized through the re-use of materials from abandoned trackage. By use of material developed as a result of the Aldene Plan, the projected coordination with the Lehigh Valley, and the planned installa-

tion of centralized traffic control and single tracking between Raritan and Phillipsburg, we will be able to keep purchases to the minimum for the next four years.

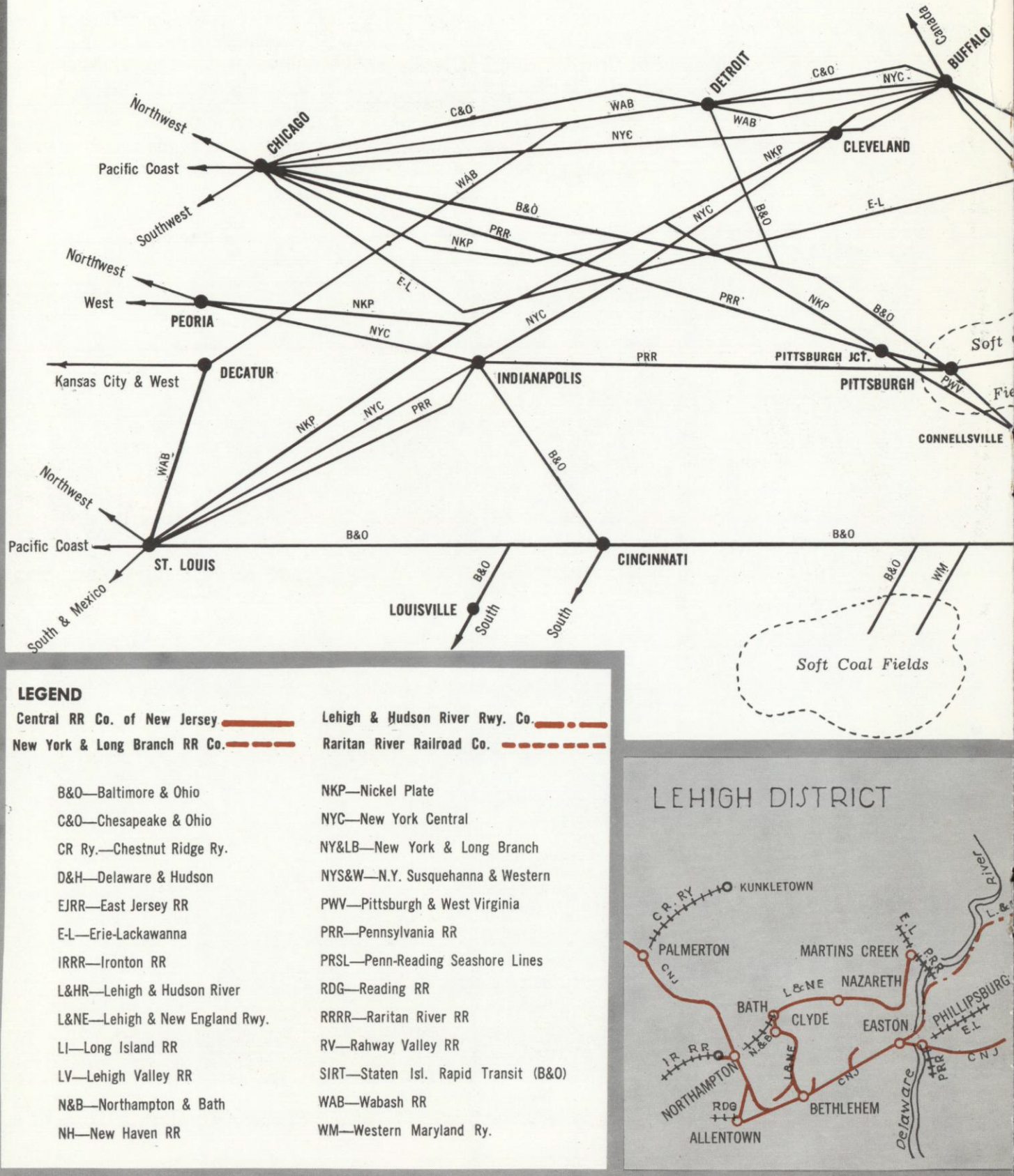
CAPITAL EXPENDITURES

Desirable capital investments in new motive power and freight cars, centralized traffic control, and improved communications once again had to be deferred until our credit position, and/or outlook for availability of internally developed funds, permit their accomplishment.

Increasing piggyback volume, and the opportunities for new business in the Newark, Elizabeth and Perth Amboy area, led to the construction of a new five-track facility at Elizabethport, at a cost of approximately $178,000.



Map of The Central Railroad Company of Ne



LEGEND

Central RR Co. of New Jersey ——

New York & Long Branch RR Co. — — —

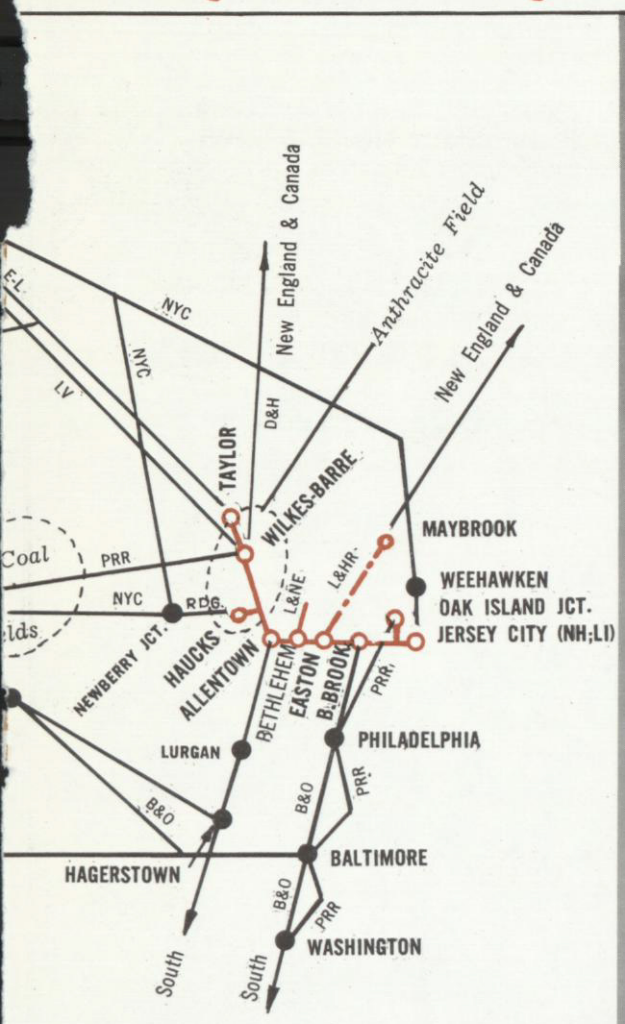
Lehigh & Hudson River Rwy. Co. — · —

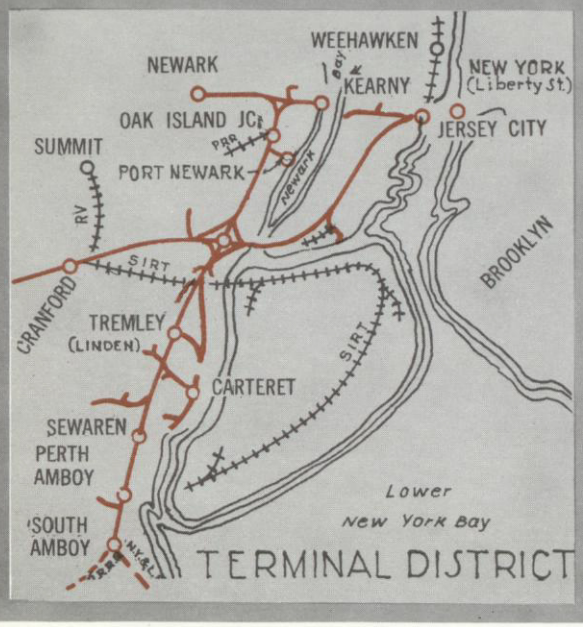
Raritan River Railroad Co. — — — —

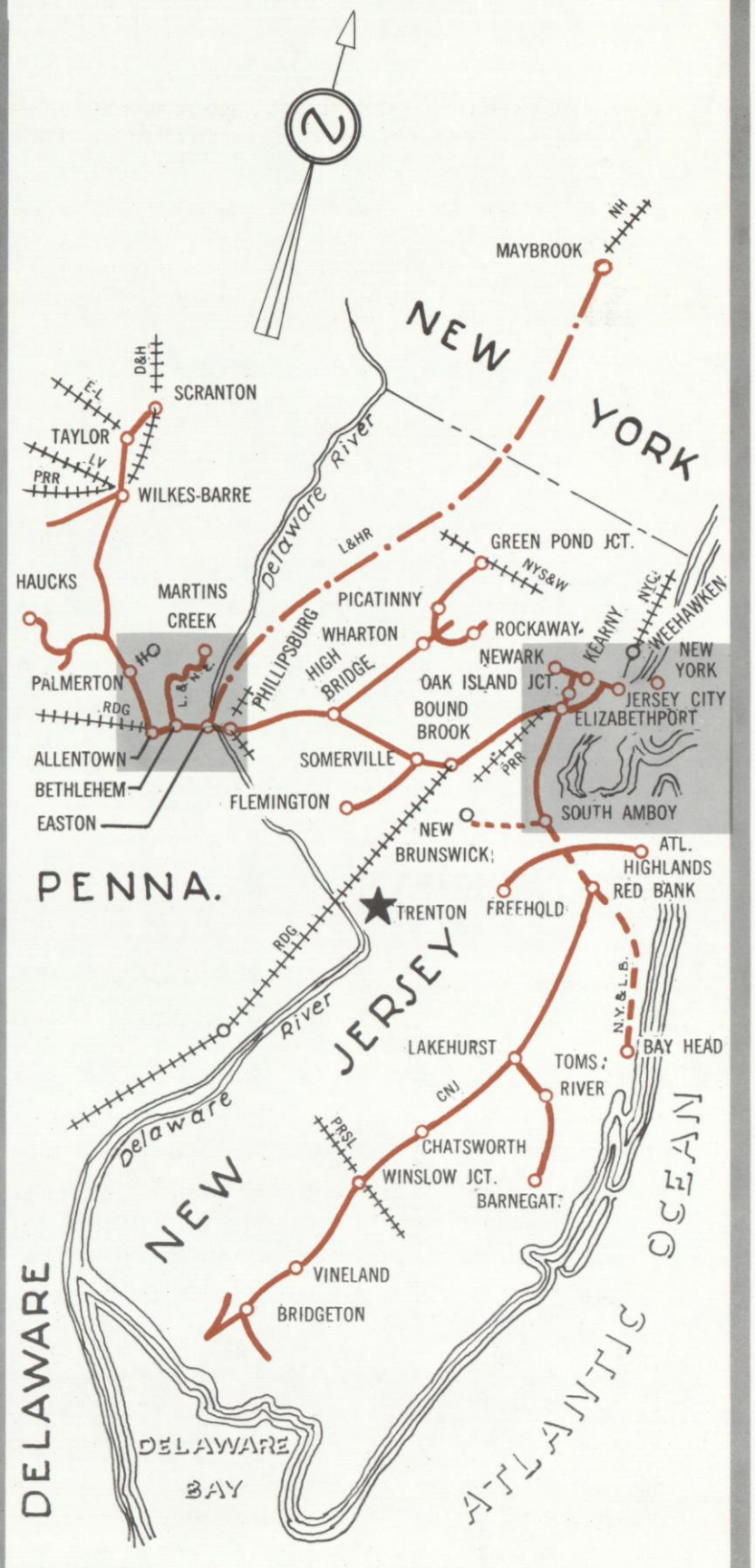
B&O—Baltimore & Ohio
C&O—Chesapeake & Ohio
CR Ry.—Chestnut Ridge Ry.
D&H—Delaware & Hudson
EJRR—East Jersey RR
E-L—Erie-Lackawanna
IRRR—Ironton RR
L&HR—Lehigh & Hudson River
L&NE—Lehigh & New England Rwy.
LI—Long Island RR
LV—Lehigh Valley RR
N&B—Northampton & Bath
NH—New Haven RR
NKP—Nickel Plate
NYC—New York Central
NY&LB—New York & Long Branch
NYS&W—N.Y. Susquehanna & Western
PWV—Pittsburgh & West Virginia
PRR—Pennsylvania RR
PRSL—Penn-Reading Seashore Lines
RDG—Reading RR
RRRR—Raritan River RR
RV—Rahway Valley RR
SIRT—Staten Isl. Rapid Transit (B&O)
WAB—Wabash RR
WM—Western Maryland Ry.

LEHIGH DISTRICT

w Jersey -- Showing Principal Service Routes







Due to rule changes adopted by the Federal Communications Commission, radio equipment was modified at a cost of about $60,000 to be usable in a new narrow band frequency. The use of radio communication between engine and caboose in freight train service, and between freight trains and land stations, has proven to be essential to our operations. The Company now has base wayside stations at five key locations.

Interlockings were reduced by the retirement of Broad Street Tower, Newark, and the remote controlling of Port Reading Interlocking from West Carteret Tower, the cost of these projects being approximately $25,500 and to be paid for by operating savings in less than two years.

During the year the installation of crossing flashers was substantially completed at Route 15 on the Wharton & Northern Railroad; at Lewis Street, Eatontown; and at Main Street, Lakewood, these being required by orders from the Board of Public Utility Commissioners, with State participation in the cost thereof.

Wooden floatbridges Nos. 1 and 4 at Jersey City, worn beyond economical repair, were replaced with second-hand steel bridges and pontoons, at a cost of about $80,000.

An expenditure of $70,000 was authorized and work started on the equipping of 87 diesel locomotive units with "deadman" controls to the end that the Company may fully realize the savings from the forthcoming discontinuance of firemen's positions.

Equipment debt was increased by $432,755 in 1963 by the sale and repurchase of certain boxcar equipment, which had been set aside in bad order, to a total of $5,650,266 at the end of the year.

DIRECTORS AND OFFICERS

On October 24, 1963, Mr. Barton W. Druckenmiller was elected a Director, succeeding Mr. Julius A. Rippel, resigned.

At the Annual Meeting of Stockholders, December 2, 1963, Hon. Robert B. Meyner was elected a Director, succeeding Dr. William H. Mencher, resigned.

On July 1, 1963, Mr. Jack A. Craddock, who became General Manager on November 16, 1962, was elected Vice President and General Manager.

On September 16, 1963, Mr. Robert G. Hamlin was appointed Property Manager, succeeding Mr. Philip M. Parker, retired.

On November 1, 1963, Dr. Frank W. Mahoney was appointed Medical Director, succeeding Dr. Ira Goldowsky, deceased.

By Order of the Directors
The Central Railroad Company of New Jersey
March, 1964

THE CENTRAL RAILROAD COMPANY OF NEW JERSEY and Subsidiaries

STATEMENT OF CONSOLIDATED INCOME AND RETAINED EARNINGS

	Year ended Dec. 31 1963	1962
Railway Operating Revenues:		
Freight:		
Merchandise	$30,931,060	$31,551,554
Anthracite	4,225,300	3,845,553
Bituminous	7,325,717	7,939,864
	$42,482,077	$43,336,971
Passenger, mail, express aand other (page 22)	10,210,329	11,099,004
Total	$52,692,406	$54,435,975
Railway Operating Expenses:		
Payrolls	$31,584,507	$31,965,655
Material, supplies and other expenses	10,440,160	11,239,306
Depreciation	3,209,131	3,229,104
Total (page 22)	$45,233,798	$46,434,065
Net Revenue From Railway Operations	$ 7,458,608	$ 8,001,910
Charges To Net Revenue:		
Railway taxes:		
New Jersey property and franchise taxes	$ 2,939,602	$ 2,961,510
Payroll taxes	2,672,653	2,736,923
Other	113,862	173,331
	$ 5,726,117	$ 5,871,764
Hire of equipment and joint facility rents (net)	4,379,280	5,604,124
Total	$10,105,397	$11,475,888
Net Railway Operating Loss	$ (2,646,789)	$ (3,473,978)
Other Income:		
Rent of properties	$ 312,079	$ 297,500
Dividends	162,020	150,820
Interest	207,298	288,317
Sale of land and other items (net)	607,694	(2,809)
Total	$ 1,289,091	$ 733,828
	$ (1,357,698)	$ (2,740,150)
Fixed Charges:		
Rent of leased roads	$ 2,318,390	$ 2,367,629
Interest and amortization of discount on funded debt	2,402,531	2,358,039
Total	$ 4,720,921	$ 4,725,668
Net Loss	$ (6,078,619)	$ (7,465,818)
Retained Earnings at Beginning of Year	$40,173,567	$47,621,090
	$34,094,948	$40,155,272
Other credits (note 1)	464,838	18,295
Retained Earnings at End of Year	$34,559,786	$40,173,567

See accompanying notes to financial statements.

THE CENTRAL RAILROAD COMPANY OF NEW JERSEY and Subsidiaries

CONSOLIDATED BALANCE SHEET

Assets

	December 31 1963	December 31 1962
Current Assets:		
Cash and temporary cash investments	$ 4,053,680	$ 4,110,078
Accounts receivable and unbilled revenue	4,944,015	5,499,675
Materials and supplies	2,516,599	3,246,843
Prepayments and working fund advances	740,008	766,973
Estimated salvage recoverable on retirements within one year	156,660	266,057
	$ 12,410,962	$ 13,889,626
Special Funds:		
Funds for investment in properties or retirement of debt	$ 100,540	$ 565,725
Insurance and other deposits	221,940	221,998
	$ 322,480	$ 787,723
Investments and Advances at or Below Cost, (Substantially all pledged under General Mortgage):		
Affiliated companies (page 19; note 1, page 17)	$ 5,638,769	$ 7,335,792
Other (page 19)	1,967,617	1,985,733
	$ 7,606,386	$ 9,321,525
Less provisions for possible loss (note 1)	none	1,709,934
	$ 7,606,386	$ 7,611,591
Properties less Depreciation and Amortization (note 2)	$118,601,725	$121,085,361
Other Assets:		
Miscellaneous receivables and items in suspense	$ 397,796	$ 439,738
Estimated salvage recoverable on retirements	79,781	69,373
	$ 477,577	$ 509,111
	$139,419,130	$143,883,412

Liabilities and Shareowners' Equity

Current Liabilities (excluding long-term debt due within one year):		
Accounts payable	$ 7,313,138	$ 6,668,672
Employees vacation pay	1,806,000	1,797,000
Accrued payroll	1,187,325	1,217,748
Accrued taxes	435,316	437,597
Injury and damage claims	501,218	501,547
Other current liabilities	735,704	889,865
	$ 11,978,701	$ 11,512,429
Long-Term Debt Due within One Year (page 18)	2,504,160	1,700,606
	$ 14,482,861	$ 13,213,035
Long-Term Debt (page 18):		
Mortgage bonds (note 3)	$ 42,890,000	$ 42,890,000
Notes payable (note 4)	15,044,500	15,770,000
Equipment trust obligations	2,417,000	3,289,000
Conditional sale agreements	1,819,106	507,905
	$ 62,170,606	$ 62,456,905
Other Liabilities:		
Personal injury claims	$ 786,540	$ 580,897
Miscellaneous liabilities and items in suspense	745,069	784,740
	$ 1,531,609	$ 1,365,637
Shareowners' Equity:		
Capital stock authorized 460,000 shares of $50 par value, issued 457,915 shares less 19,877 shares in treasury	$ 21,901,900	$ 21,901,900
Other paid-in Capital	4,772,368	4,772,368
Retained earnings (notes 1 and 4)	34,559,786	40,173,567
	$ 61,234,054	$ 66,847,835
	$139,419,130	$143,883,412

See accompanying notes to financial statements.

Accountants' Report

PEAT, MARWICK, MITCHELL & CO.

CERTIFIED PUBLIC ACCOUNTANTS

SEVENTY PINE STREET

NEW YORK, NEW YORK 10005

To the Board of Directors and Shareowners
The Central Railroad Company of New Jersey:

We have examined the accompanying consolidated balance sheet of The Central Railroad Company of New Jersey and its subsidiaries as of December 31, 1963, and the related statement of consolidated income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion the accompanying financial statements present fairly the consolidated financial position of The Central Railroad Company of New Jersey and its subsidiaries as of December 31, 1963, and the results of their operations for year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell & Co.

March 13, 1964

Notes To Financial Statements

1. Principles of Consolidation:

All 100% owned subsidiaries have been consolidated except one non-railroad company owning land. The Company's equity in the net assets of affiliated and other companies not consolidated as determined by the most recent unaudited statements available exceeds the net amount of investments and advances in such companies.

In January 1963 the company reduced the carrying value of its investment in one of its two subsidiary realty companies to the amount of its equity in the net assets of that subsidiary. In December 1963 the company liquidated the other subsidiary realty company. The loss on these transactions ($1,245,096) was charged against the provision for possible loss on investments and advances established in prior years. The balance of this provision ($464,838) no longer considered necessary, was credited to retained earnings.

2. Properties:

The investment in properties and the depreciation accrued are detailed on page 18.

Depreciation on road property has been provided in the accounts since January 1, 1943, in accordance with regulations issued and rates approved by the Interstate Commerce Commission. Prior to the date referred to above, no such provision was required by the Interstate Commerce Commission.

The company is obligated under certain freight car lease agreements covering 2,067 freight cars and expiring in 1968, 1969 and 1971. The aggregate rental under these leases for the year 1963 was $976,953 and the rentals for the next five years are approximately:

1964	$1,090,000
1965	1,040,000
1966	990,000
1967	940,000
1968	740,000

3. Trust Indenture:

The trust indenture provides that until the outstanding general mortgage bonds are reduced to $24,000,000:

(a) One-half of "available net income" for each year, as defined in the indenture, shall be applied to the retirement of outstanding bonds on or before April 1 of the following year. No payment will be required under this provision for 1963 as there was no "available net income".

(b) The remainder of "available net income" shall be applied first, for capital improvements for which funds are not available other than from the Capital Fund; second, to restore the Capital Fund to $2,500,000; and third, for any other corporate purpose. Net proceeds from sales of meadowland property also may be used to restore the Capital Fund to the above stated amount, and any such proceeds not so used are to be applied to the retirement of general mortgage bonds.

If "available net income" for any year shall be a deficit, the amount of such deficit may, at the discretion of the Board of Directors, be carried forward and deducted in determining "available net income" in subsequent years. The amount of deficit available for carry-forward at December 31, 1963, is $29,106,260.

4. Dividends:

The Collateral Trust Agreement executed in connection with $15,000,000 of 5% Trust Notes contains certain restrictions on the declaration and payment of dividends. Under the most restrictive of these provisions no dividend may be declared without the written consent of the Interstate Commerce Commission unless the Company's net income accumulated from January 1, 1962, to a date 90 days prior to the date of declaration exceeds the amount of the proposed dividend.

LONG TERM DEBT (including amounts due within one year)

Mortgage Bonds

Date of Issue	Date of Maturity	Interest Due	Interest Rate	Total Amount Issued	Amount Actually Outstanding Dec. 31, 1963
July 1, 1949	July 1, 1987	Jan. and July	3¼%	$48,731,000	$42,890,000

Notes Payable

Date of Issue	Dates of Maturity	Interest Due	Interest Rate	Total Amount Issued	Amount Actually Outstanding Dec. 31, 1963
Oct. 31, 1961	July 1, 1964-1976	Jan. and July	5%	$15,000,000	$15,000,000
Oct. 31, 1961	Nov. 1, 1965-Aug. 1, 1968	(None)	None	1,330,000	840,000
Mar. 15, 1963	Mar. 15, 1968	March and Sept.	4%	100,000	100,000
Mar. 20, 1963	Mar. 20, 1964 Sept. 20, 1965	March, June, September and December	5½%	194,500	194,500
		Total		$16,624,500	$16,134,500

Equipment Trust Obligations

Date	Equipment Securing Obligation	Interest Rate	Original Amount of Obligation	Retired This Year	Unmatured and Outstanding Dec. 31, 1963	Final Installment Matures
Apr. 1, 1950	12 Diesel Units	2½%	$ 1,350,000	$ 90,000	$ 180,000	Apr. 1, 1965
Apr. 1, 1950	125 Covered Hopper Cars; 12 Diesel Units	2⅜%	1,815,000	121,000	242,000	Apr. 1, 1965
Aug. 1, 1951	22 Diesel Units	3%	2,745,000	183,000	549,000	Aug. 1, 1966
Oct 1, 1952	23 Diesel Units	3½%	2,895,000	193,000	772,000	Oct. 1, 1967
Mar. 1, 1953	500 Box Cars	3⅝%	2,460,000	164,000	820,000	Mar. 1, 1968
Apr. 1, 1954	4 Rail Diesel Coaches; 7 Diesel Units	3⅛%	1,815,000	121,000	726,000	Apr. 1, 1969
	Total		$13,080,000	$872,000	$3,289,000	

Conditional Sale Agreements

Apr. 2, 1956	93 Covered Hopper Cars	3¾%	$ 586,644	$ 73,330	$ 36,665	May 1, 1964
Aug. 31, 1962	425 Gondola Cars	5½%	765,000	114,750	650,250	Mar. 1, 1968
Feb. 1, 1963	474 Box Cars; 26 Cement Cars	5⅜%	1,780,350	105,999	1,674,351	July 1, 1968
	Total		$3,131,994	$294,079	$2,361,266	

Properties

	December 31, 1963	1962
Transportation property:		
Road and roadway structures	$ 91,566,362	$ 91,601,714
Equipment	59,865,226	62,579,677
Improvements on leased property	10,968,784	11,357,123
Miscellaneous physical property	2,737,967	2,830,601
Total	$165,138,339	$168,369,115
Allowance for depreciation and amortization:		
Roadway structures	$ 12,219,796	$ 11,741,903
Equipment	32,654,225	33,910,899
Improvements on leased property	1,592,584	1,575,031
Miscellaneous physical property	70,009	55,921
Total	$ 46,536,614	$ 47,283,754
Net investment in properties	$118,601,725	$121,085,361

THE CENTRAL RAILROAD COMPANY OF NEW JERSEY

INVESTMENTS IN AFFILIATED AND OTHER COMPANIES (EXCLUDING CONSOLIDATED SUBSIDIARIES)

Affiliated Companies

Stocks

	Date of Maturity	Percent of Ownership	Par Value	Ledger Value
Allentown Terminal Railroad Company		50	$ 225,000	$ 225,000
Bay Shore Connecting Railroad Company		50	27,900	27,900
Communipaw Central Land Company		100	2,000	2,000
Dover and Rockaway Railroad Company		64	95,700	91,955
Mount Hope Mineral Railroad Company		68	109,300	224,233
New York and Long Branch Railroad Company		50	2,000,000	2,000,000
Railway Express Agency, Inc.		1	22,836	1,100
Total				$2,572,188

Bonds

Allentown Terminal Railroad Company First Mortgage Gold Bonds	July 1, 1974		$ 212,000	$ 212,000
New York and Long Branch R.R. Co. 4% Cons. Mtge. Gold Bonds, Series "B"	Sept. 1, 1981		1,151,000	1,151,000
New York and Long Branch R.R. Co. 5% Cons. Mtge. Bonds, Series "A"	July 1, 1979		269,000	269,000
Total				$1,632,000

Notes

Railway Express Agency, Inc. 5%			$ 318,071	$ 318,071

Advances

Bay Shore Connecting Railroad Company				$ 9,714
Communipaw Central Land Company				669,513
New York and Long Branch Railroad Company				437,283
Total				$1,116,510
Total Affiliated Companies per consolidated balance sheet				$5,638,769

Other

Stocks

Lehigh and Hudson River Railroad Company			$ 787,000	$ 748,287
Raritan River Railroad Company			495,300	839,610
Total				$1,587,897

Mortgages

Elizabethport Development Company, Inc.			$ 185,220	$ 185,220
Pasquale Santini, Inc.			194,500	194,500
Total				$ 379,720
Total Other per consolidated balance sheet				$1,967,617

EQUIPMENT as of December 31, 1963

Locomotives

Diesel:	Number Of Units	Average Weight (Tons)	Average Tractive Power
Road freight 1500 H.P.	20"A"	125.1	62,550
" " 1500 H.P.	10"B"	122.5	61,266
General utility 1000 H.P.	6	123.4	61,688
" " 1200 H.P.	4	121.4	60,700
" " 1500 H.P.	27	127.2	63,580
" " 1600 H.P.	30	125.6	62,787
" " 1600 H.P. (6 motors)	15	180.1	90,057
" " 2400 H.P. (6 ")	13	192.2	96,082
Yard switchers	50	113.8	56,913
Total	175	23,044.9	11,522,413
Average		131.7	65,842

Freight Cars

	Number Owned	Leased	Total	Total Capacity (Tons)
Box	2,476		2,476	123,785
Coal	23	1,677	1,700	93,500
Gondola	787	390	1,177	80,890
Ore	8		8	560
Flat	99		99	7,050
Covered hoppers	1,106		1,106	76,760
Caboose	89		89	—
Total	4,588	2,067	6,655	382,545

Passenger Cars

	Number
Coaches	219
Combination passenger	21
Other combination	7
Baggage and express	47
Club	17
Diesel rail passenger coaches	11
Total	322

Marine Department

	Number
Ferryboats	5
Tugboats (diesel)	3
Open deck lighterage-scows	13
Steam hoist lighters	1
Covered barges	13
Car floats	8
Company service (misc.)	5
Total	48

THE CENTRAL RAILROAD COMPANY OF NEW JERSEY and Subsidiaries

TRANSPORTATION STATISTICS

	Year 1963	Year 1962	Percent Increase
Train Miles:			
Freight	1,318,274	1,326,800	# 1
Passenger	1,686,331	1,730,448	# 3
Total revenue service	3,004,605	3,057,248	# 2
Work	13,398	27,594	#51
Total train miles	3,018,003	3,084,842	# 2
Car Miles:			
Freight — loaded	46,251,442	47,185,880	# 2
Freight — empty	32,604,009	31,774,241	3
Total freight (including caboose)	80,179,970	80,308,628	—
Passenger	8,521,754	9,311,185	# 8
Gross ton miles freight (thousands)	4,010,975	3,981,553	1
Net ton miles (thousands)	2,102,452	2,108,660	# 1
Freight Trains:			
Average net train load	1,654	1,657	—
Average gross train load	3,155	3,128	1
Average train speed	14.2	14.7	# 3
Freight Cars:			
Net tons per loaded car	45.5	44.7	2
Percent net to gross	52.4	52.9	# 1
Percent loaded to total car miles	57.7	59.8	# 4
Car miles per car day (of cars in service)	16.4	16.7	# 2
Net ton miles per car day (of cars in service)	399	394	1
Yard:			
Cars dispatched per yard engine hour	8.5	8.5	—
Cost of fuel and wages per car dispatched	$2.16	$2.21	# 2
Passenger Trains:			
Average cars per train	5.1	5.4	# 6
Cost of fuel and wages per train mile	$1.69	$1.67	1

# Denotes Reverse Figure

THE CENTRAL RAILROAD COMPANY OF NEW JERSEY and Subsidiaries

REVENUES

Years	Freight Revenue	Passenger Revenue	Mail Revenue	Express Revenue	Other Revenues	Total Operating Revenues
1963	$42,482,077	$5,324,610	$1,418,274	$ 9,732	$3,457,713	$52,692,406
1962	43,336,971	5,546,644	1,938,488	196,744	3,417.128	54,435,975
1961	39,921,607	5,525,466	1,932,685	384,486	3,365,053	51,129,297
1960	40,975,488	5,677,377	1,903,021	717,086	2,315,888	51,588,860
1959	43,070,361	5,720,196	1,940,606	650,774	1,628,410	53,010,347
1958	44,416,665	5,953,031	1,769,016	612,529	1,794,754	54,545,995
1957	49,560,929	6,348,210	1,463,442	785,466	2,034,993	60,193,040
1956	52,549,667	5,920,656	1,349,162	916,792	2,140,337	62,876,614
1955	48,506,587	5,454,254	1,298,191	944,131	2,110,885	58,314,048
1954	46,841,524	5,353,772	1,506,428	955,078	1,845,320	56,502,122

EXPENSES

Years	Maintenance of Way and Structures	Maintenance of Equipment	Traffic	Trans-portation	Miscellaneous Operations	General	Total Operating Expenses	Percentages of Expenses to Revenue	Net Revenue from Railway Operations
1963	$5,977,175	$ 8,739,000	$944,603	$26,910,103	$20,890	$2,642,027	$45,233,798	85.84	$ 7,458,608
1962	6,950,064	8,810,900	886,892	27,053,995	24,667	2,707,547	46,434,065	85.30	8,001,910
1961	6,017,105	8,500,538	910,971	25,847,691	22,012	2,632,823	43,931,140	85.92	7,198,157
1960	5,870,523	7,447,809	909,971	25,455,594	32,651	2,789,012	42,505,560	82.39	9,083,300
1959	6,258,073	9,176,325	918,062	25,713.235	52,037	2,789,676	44,907,408	84.71	8,102,939
1958	6,295,271	9,332,589	890,458	26,711,626	48,260	2,800,455	46,078,659	84.48	8,467,336
1957	7,019,570	10,558,340	947,338	27,063,265	37,760	2,816,512	48,442,785	80.48	11,750,255
1956	8,589,492	10,887,484	928,364	26,578,128	44,979	2,644,957	49,673,404	79.00	13,203,210
1955	8,518,990	9,982,526	867,354	24,314,403	67,948	2,392,506	46,143,727	79.13	12,170,321
1954	7,979,613	9,665,895	910,112	23,992,064	67,572	2,342,179	44,957,435	79.56	11,544,687

NET RAILWAY OPERATING INCOME, FIXED CHARGES AND NET INCOME

Years	Net Railway Operating Income	Other Corporate Income (Net)	Income Available For Fixed Charges	Fixed Charges	Net Income
1963	$2,646,789#	$1,289,091	$1,357,698#	$4,720,921	$6,078,619#
1962	3,473,978#	733,828	2,740,150#	4,725,668	7,465,818#
1961	4,060,033#	1,126,161	2,933,872#	4,167,176	7,101,048#
1960	1,369,773#	1,177,663	192,110#	4,100,919	4,293,029#
1959	537,179	795,545	1,332,724	4,171,283	2,838,559#
1958	495,952	1,839,709	2,335,661	4,240,302	1,904,641#
1957	3,436,628	856,629	4,293,257	4,250,562	42,695
1956	4,634,297	803,988	5,438,285	4,306,575	1,131,710
1955	4,773,865	678,899	5,452,764	4,431,898	1,020,866
1954	3,940,157	588,125	4,528,282	4,513,698	14,584

# Denotes Reverse Figure

REVENUE FREIGHT TRAFFIC STATISTICS

Years	Average Mileage Operated	Revenue Tons One Mile Per Mile of Road	Average Rate Per Ton Per Mile (Cents)	Revenue Freight Train Miles	Average Train Load (Revenue Tons)	Average Gross Ton Miles Per Train Hour
1963	635.73	3,293,299	2.05	1,318,274	1,588	43,093
1962	635.73	3,302,967	2.06	1,326,800	1,583	44,141
1961	613.68	3,199,237	2.03	1,257,213	1,562	43,151
1960	606.48	3,221,397	2.09	1,259,420	1,551	44,031
1959	608.82	3,221,430	2.19	1,312,597	1,494	41,825
1958	612.09	3,149,414	2.30	1,299,438	1,484	42,264
1957	626.22	3,387,685	2.33	1,437,896	1,475	42,101
1956	627.11	3.873,976	2.16	1,573,569	1,544	42,172
1955	627.53	3,440,963	2.25	1,479,543	1,459	40,917
1954	627.15	3,332,157	2.25	1,479,779	1,408	39,720

REVENUE PASSENGER TRAFFIC STATISTICS

Years	Average Mileage Operated(*)	Passengers One Mile	Average Rate Per Passenger Per Mile (Cents)	Total Passenger Train Miles (X)	Total Passenger Train Miles Per Mile Road	Revenue Per Train Mile Passenger	
						Passengers Only	All Sources
1963	263.59	155,358,711	3.43	1,686,331	6,398	$3.16	$4.04
1962	263.59	163,398,466	3.39	1,730,448	6,565	3.21	4.45
1961	263.73	162,698,827	3.40	1,742,117	6,606	3.17	4.54
1960	264.56	174,710,147	3.25	1,751,493	6,620	3.24	4.78
1959	271.82	179,413,247	3.19	1,778,099	6,541	3.22	4.72
1958	276.42	205,667,764	2.89	1,929,100	6,979	3.09	4.36
1957	276.70	236,068,717	2.69	2,096,721	7,578	3.03	4.14
1956	276.70	234,915,052	2.52	2,122,425	7,670	2.79	3.88
1955	276.70	221,097,087	2.47	2,117,690	7,653	2.58	3.67
1954	276.70	226,293,878	2.37	2,152,515	7,779	2.49	3.68

(*) Excludes mileage exclusively for freight traffic.

(X) Including express trains.

TRACK MILEAGE (December 31, 1963)

	Miles of First Main Track	Miles of Additional Main Track	Miles of Yard Tracks & Sidings	Total All Tracks
Owned	416.14	166.61	425.15	1,007.90
Leased:				
Controlled through ownership of majority of capital stock	4.54	—	2.42	6.96
Not controlled	155.94	64.95	178.91	399.80
Trackage rights granted by other companies	59.11	44.08	29.84	133.03
Total miles of road operated	635.73	275.64	636.32	1,547.69

FREIGHT REVENUE BY COMMODITIES

Commodity

	1963		1962	
	Cars	Revenue	Cars	Revenue
Products of Agriculture:				
Wheat, Corn, Oats	2,674	$ 409,380	3,346	$ 519,493
Flour	5,359	267,761	6,743	304,954
Soybean Oil Cake & Meal	1,203	131,509	1,437	158,323
Other Products of Agriculture	15,156	865,643	14,983	851,548
Total	24,392	$ 1,674,293	26,509	$ 1,834,318
Animals and Products:	16,918	$ 807,359	14,865	$ 603,247
Products of Mines:				
Anthracite Coal (Prepared)	54,056	$ 4,016,671	49,224	$ 3,708,340
Bituminous Coal	149,583	7,330,418	161,618	8,000,985
Iron Ore	8,922	592,760	11,922	811,557
Other Ores and Concentrates	10,121	732,989	10,375	827,525
Clay and Bentonite	6,274	315,804	5,826	312,163
Sand, Gravel and Crushed Stone	25,709	1,577,489	28,686	1,624,450
Salt	4,287	359,769	3,367	272,569
Other Products of Mines	35,826	1,098,834	31,095	1,151,490
Total	294,778	$16,024,734	302,113	$16,709,079
Products of Forests:				
Lumber, Shingles and Lath	7,483	$ 474,208	6,788	$ 444,450
Other Products of Forests	8,199	522,800	7,193	486,730
Total	15,682	$ 997,008	13,981	$ 931,180
Manufactures and Miscellaneous:				
Refined Petroleum Products	15,745	$ 1,165,824	17,456	$ 1,277,611
Gases—Other than Petroleum	3,071	343,123	2,924	349,939
Soybean Oil	8,837	657,518	7,557	526,334
Chemicals	18,853	2,336,545	16,912	2,153,055
Sodium (Soda) Products	10,138	1,242,845	10,498	1,176,635
Alcohol	3,802	405,344	3,951	413,063
Fertilizers	4,299	326,749	4,466	334,079
Paints, Putty and Varnish	4,586	360,025	4,745	408,292
Copper, Brass, Lead, Zinc	8,455	676,618	8,839	769,944
Manufactured Iron and Steel	12,828	1,037,754	15,405	1,255,170
Vehicle Parts	6,036	283,967	5,055	247,714
Cement	28,440	2,564,121	30,033	2,663,651
Printing Paper	20,643	1,178,846	19,386	1,113,382
Paper Products	13,201	519,269	12,882	494,687
Paperboard, Fibreboard and Pulpboard	13,167	634,295	12,418	494,305
Building Paper & Prepared Roofing Materials	1,784	117,855	1,664	109,289
Glass Bottles, Jars and Packing Glasses	5,961	287,497	6,510	321,268
Liquors—Malt	2,732	176,607	2,791	199,689
Canned, Packaged and Frozen Food	9,174	448,719	11,370	501,203
Prepared Animal and Poultry Feed	5,060	240,752	4,915	223,110
Containers—Metal	3,178	121,978	3,584	147,662
Scrap Iron and Scrap Steel	9,684	880,268	11,412	1,260,427
Waste Materials	8,702	678,898	10,839	828,331
Other Manufactures and Miscellaneous	109,146	5,872,813	109,989	5,800,763
Total	327,522	$22,558,230	335,601	$23,069,603
Forwarder Traffic:	19,583	$ 480,854	33,073	$ 750,975
GRAND TOTAL—CARLOAD TRAFFIC	698,875	$42,542,478	726,142	$43,898,402
Less Than Carload Traffic:	—	$ 194,235	—	$ 282,530
GRAND TOTAL—CARLOAD AND LCL TRAFFIC	698,875	$42,736,713	726,142	$44,180,932

Freight Traffic Staff at Jersey City

ADDRESS: Jersey Central Terminal, Jersey City, N.J. 07302
Jersey City Telephone: DElaware 2-1122 (Area Code 201)
New York City Telephone: BArclay 7-9700 (Area Code 212)

J. L. Barngrove, Jr., Vice President—Freight Traffic

RATES AND DIVISIONS
Edward Keil, Freight Traffic Manager
A. L. Postlethwaite, Asst. Freight Traffic Manager
J. I. Hachtmann, General Freight Agent

MARKET RESEARCH
L. J. Evans, Manager Market Research

COAL TRAFFIC
J. J. Emerick, Coal Traffic Manager
P. T. Murphy, Coal Freight Agent

SALES AND SERVICE
V. L. Pernter, Freight Traffic Manager
E. P. Seiwert, Asst. Freight Traffic Manager
E. T. Libby, General Foreign Freight Agent
W. D. Wakeman, General Freight Agent
B. J. Strongin, Asst. to Freight Traffic Manager

INDUSTRIAL DEVELOPMENT
W. W. Robinson, Manager Industrial Development
H. J. Page, Industrial Agent

Freight Traffic Offices Elsewhere

In addition to the staff at the Jersey City office (above) Central Railroad of New Jersey traffic offices are maintained in the cities listed below. These offices are eager to give every assistance to shippers. You can help us by urging your shipper friends to ask these offices about Central Railroad of New Jersey service. Or tell your nearest office about prospective business that comes to your attention. They will carry on from there, promptly, courteously and thoroughly.

ALBANY, NEW YORK 12207
W. J. Dickerson, General Agent
11 The Plaza
Phone Area Code 518, HObart 3-4547

ALLENTOWN, PENNSYLVANIA 18102
J. H. Weiss, Division Freight Agent
Passenger Station, CRRofNJ
Phone Area Code 215, HEmlock 5-4721

BOSTON, MASSACHUSETTS 02110
Edward M. Hoare, General Agent
604 Chamber of Commerce Building
Phone Area Code 617, 542-5320

BUFFALO, NEW YORK 14203
C. R. Everding, General Agent
532 Ellicott Square
Phone Area Code 716, TL 4-1274

CHICAGO, ILLINOIS 60603
F. T. Burns, Jr., General Western Freight Agent
3324 Bankers Building, 105 West Adams Street
Phone Area Code 312, 726-1816

CLEVELAND, OHIO 44114
M. W. Arnold, General Agent
Room 407, Park Building
Phone Area Code 216, 241-0968

LONG BRANCH, NEW JERSEY 07740
R. J. Benson, Asst. Division Freight Agent
Passenger Station
Phone Area Code 201, CApital 9-0486

NEWARK, NEW JERSEY 08102
J. J. Regan, Division Freight Agent
836 Broad Street
Phone Area Code 201, MArket 1-9070

NEW YORK, N.Y. 10006
B. J. McSweeney, General Freight Agent
Room 10
Liberty Street Ferry Terminal
Phone Area Code 212, BArclay 7-9700

NORTHAMPTON, PENNSYLVANIA 18067
B. M. Haberern, Division Freight Agent
1019 Main Street
Phone Area Code 215, 262-6746

PHILADELPHIA, PENNSYLVANIA 19102
J. M. Gehring, Assistant General Freight Agent
Room 1610, Girard Trust Co. Building
1400 South Penn Square
Phone Area Code 215, LOcust 3-7390

PITTSBURGH, PENNSYLVANIA 15222
J. C. Powers, General Agent
Room 801-802, Park Building
Fifth Avenue & Smithfield Street
Phone Area Code 412, ATlantic 1-7405

ST. LOUIS, MISSOURI 63101
C. H. McNab, General Agent
2086 Railway Exchange Building
611 Olive Street
Phone Area Code 314, CEntral 1-4760

JERSEY CENTRAL
LINES